

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED
APR 25 2008
Arizona Corporation Commission
Utilities Division

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



WS-01025A
Ajo Improvement Company – Sewer Division
P.O. Drawer 9
Ajo, AZ 85321

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN05	07
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5-14-08

6-2-08

COMPANY INFORMATION

Company Name (Business Name) Ajo Improvement Company

Mailing Address P. O. Drawer 9
(Street)

Ajo
(City)

AZ
(State)

85321
(Zip)

(520) 229-6446

Telephone No. (Include Area Code)

(602) 453 - 2850

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email

Address John_Galaska@fmi.com

Local Office Mailing Address (same as above)
(Street)

(City)

(State)

(Zip)

(520) 387 - 7451

Local Office Telephone No. (Include Area Code)

(520) 387 - 7627

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact:

Richard C. Adkerson

President

(Name)

(Title)

One North Central Avenue
(Street)

Phoenix
(City)

AZ
(State)

85004
(Zip)

(602) 366 - 8100

Telephone No. (Include Area Code)

(602) 366 - 7312

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

On Site Manager:

Raymond Romero

(Name)

P. O. Drawer 9
(Street)

Ajo
(City)

AZ
(State)

85321
(Zip)

(520) 387 - 7451

Telephone No. (Include Area Code)

(520) 387 - 7627

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email

Address raymond_romero2@fmi.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: C T Corporation System
(Name)

2394 E. Camelback Road Phoenix AZ 85016
(Street) (City) (State) (Zip)

(602) 277 - 4792
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Douglas N. Currault II
(Name)

One North Central Avenue Phoenix AZ 85004
(Street) (City) (State) (Zip)

(602) 366 - 8100 (602) 366 - 7312
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Ajo Improvement Company – Sewer Division

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force	200,000	36,667	163,333
361	Collection Sewers – Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.			
381	Plant Sewers	39,561	39,561	0
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment	32,862	6,572	26,290
393	Tools, Shop and Garage Equip.	30,284	15,142	15,142
394	Laboratory Equipment			
395	Power Operated Equipment	22,531	22,531	0
398	Other Tangible Plant	102,182	3,406	98,776
	TOTALS	427,420	123,879	303,541

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force	200,000	3.3335	6,667
361	Collection Sewers – Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.			
381	Plant Sewers	39,561	0.0000	0
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment	32,862	19.9994	6,572
393	Tools, Shop and Garage Equip.	30,284	20.0007	6,057
394	Laboratory Equipment			
395	Power Operated Equipment	22,531	0.0000	0
398	Other Tangible Plant	102,182	3.3333	3,406
	TOTALS	427,420		22,702

This amount goes on the Comparative Statement of Income and Expense Acct. 403



BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$1,089,408	\$1,328,971
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	298,993	369,027
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	56,402	106,430
162	Prepayments	6,367	0
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$1,451,170	\$1,804,428
	Long-term Non Recurring Receivable - Other	\$567,860	\$440,861
	FIXED ASSETS		
101	Utility Plant in Service	\$3,753,367	\$3,921,272
103	Property Held for Future Use		
105	Construction Work in Progress	1,397,333	7,320,124
108	Accumulated Depreciation – Utility Plant	(2,604,646)	(2,677,238)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$2,546,054	\$8,564,158
	Deferred Charges	15,000	0
	TOTAL ASSETS	\$4,580,083	\$10,809,448

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

* All amounts represent the three departments: electric, water and sewer

BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$7,283,995	\$16,680,632
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	27,682	34,156
235	Customer Deposits		
236	Accrued Taxes	65,288	130,786
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$7,376,965	16,845,574
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$311,963	\$311,963
	DEFERRED CREDITS		
252	Advances in Aid of Construction		
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$0	\$0
	TOTAL LIABILITIES	\$7,688,928	\$17,157,537
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$392,000	\$414,065
211	Other Paid in Capital	3,144,545	3,144,545
215	Retained Earnings	(6,645,390)	(9,906,699)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$(3,108,845)	\$(6,348,089)
	TOTAL LIABILITIES AND CAPITAL	\$4,580,083	\$10,809,448

* All amounts represent the three departments: electric, water and sewer

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR 2006	CURRENT YEAR 2007
521	Flat Rate Revenues	135,596	158,522
522	Measured Revenues		
536	Other Wastewater Revenues		
	TOTAL REVENUES	135,596	158,522
	OPERATING EXPENSES		
701	Salaries and Wages	51,678	80,279
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	535	593
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies	13,158	31,782
731	Contractual Services – Professional	31,416	15,400
735	Contractual Services – Testing		
736	Contractual Services – Other		
740	Rents	15,327	15,000
750	Transportation Expense		
755	Insurance Expense		
765	Regulatory Commission Expense		
775	Miscellaneous Expense	982,143	240,004
403	Depreciation Expense *	17,145	* (245,358)
408	Taxes Other Than Income	351	2,985
408.11	Property Taxes	3,173	4,473
409	Income Taxes		
	TOTAL OPERATING EXPENSES	1,114,926	145,158
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	10,400	10,400
	TOTAL OTHER INCOME/EXPENSE	10,400	10,400
	NET INCOME/(LOSS)	(989,730)	2,964

* Represents corrective reclass to other utility department(s)

COMPANY NAME	Ajo Improvement Company – Sewer Division
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SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	10/10/1985			
Source of Loan	Promissory Note			
ACC Decision No.	54709			
Reason for Loan	To fund facilities acquired or to be acquired from Freeport-McMoRan (formerly Phelps Dodge)			
Dollar Amount Issued	\$311,963	\$	\$	\$
Amount Outstanding	\$311,963	\$	\$	\$
Date of Maturity	12/31/08			
Interest Rate	10%	%	%	%
Current Year Interest	\$31,200	\$	\$	\$
Current Year Principle	\$0	\$	\$	\$

* All amounts represent the three departments: electric, water and sewer

COMPANY NAME	Ajo Improvement Company – Sewer Division
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WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Anaerobic Lagoon
DESIGN CAPACITY OF PLANT (Gallons Per Day)	400,000 +/-

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
11 th Street	2	7.5	125	47,000

FORCE MAINS

Size	Material	Length (Feet)
4-inch	Steel	2,000
6-inch	N/A	

MANHOLES

CLEANOUTS

Type	Quantity	Quantity
Standard	232	None

Drop	N/A

COMPANY NAME **Ajo Improvement Company – Sewer Division**

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

SERVICES

Size (in inches)	Material	Length (in feet)
4	Clay Tile / Cement ASBES	3,200 / 2,100
6	Clay Tile	25,200
8	Cement ASBES / Clay Tile	36,900 / 400
10	Cement ASBES / Clay Tile	9,300 / 1,000
12	Clay Tile / Cement ASBES	2,800 / 800
15		
18		
21		
24		
30		
	Total	85,300

Size (in inches)	Material	Quantity
4	Red Clay & Transit	1,200
6		
8		
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Waste Water Treatment Plant
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	N/A
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences, Etc.)	6' Chain Link Enclosure
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	One 3-phase 240V – 480 Portable Unit

COMPANY NAME	Ajo Improvement Company – Sewer Division
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WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan	1,076	5,144,000	288,000
Feb	1,068	4,668,000	288,000
Mar	1,067	2,850,000	236,000
Apr	1,071	1,449,000	188,000
May	1,066	5,018,000	236,000
Jun	1,063	4,434,000	236,000
Jul	1,064	3,785,000	288,000
Aug	1,068	4,725,900	288,000
Sep	1,062	2,901,800	271,600
Oct	1,061	3,614,400	214,123
Nov	1,072	4,075,200	196,700
Dec	1,077	4,332,900	214,400

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Evaporation Pond
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	101,678
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	101,678
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	40-100

STATISTICAL INFORMATION

Total number of customers 1,077

Total number of gallons treated Unknown gallons

COMPANY NAME

Ajo Improvement Company

YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

Ajo Improvement Company consolidates with its parent company, Freeport-McMoRan Copper & Gold Inc.

State Taxable Income Reported
Estimated or Actual State Tax Liability

Same as above

Amount of Grossed-Up Contributions/Advances:

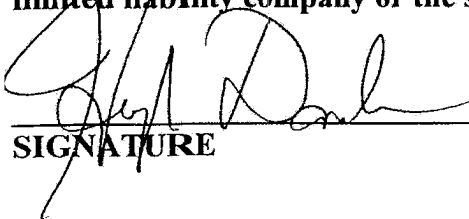
Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

N/A
N/A
N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

April 24, 2008

DATE

Hugh O. Donahue on behalf of
Richard C. Adkerson
PRINTED NAME

President

TITLE

COMPANY NAME

Ajo Improvement Company

YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 4,472.77

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
APR 25 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)	PIMA
NAME (OWNER OR OFFICIAL), TITLE	Hugh O. Donahue, Vice President
COMPANY NAME	Ajo Improvement Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING


MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



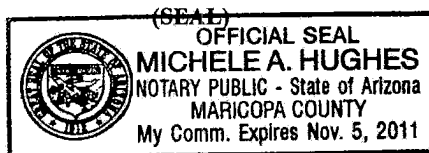
SIGNATURE OF OWNER OR OFFICIAL
(602) 366 - 8100


TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 24th DAY OF**

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	<u>2008</u>





SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES November 5, 2011

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 25 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	PIMA
NAME (OWNER OR OFFICIAL) TITLE	Hugh O. Donahue, Vice President
COMPANY NAME	Ajo Improvement Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

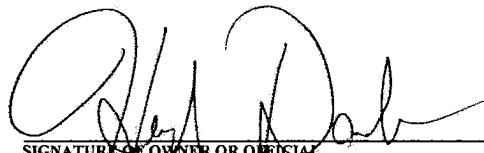
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 158,522

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 999
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(602) 366-8100
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



24th DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> , 20 <u>08</u>

Michele A. Hughes
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES November 5, 2011

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	PIMA	
NAME (OWNER OR OFFICIAL)	Hugh O. Donahue	TITLE Vice President
COMPANY NAME	Ajo Improvement Company	

RECEIVED
APR 25 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>127,225</u>

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 999
IN SALES TAXES BILLED, OR COLLECTED**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

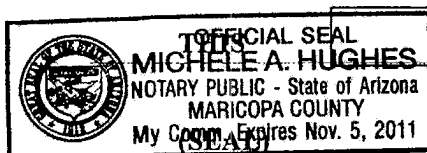
X 

SIGNATURE OF OWNER OR OFFICIAL
(602) 366-8100

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

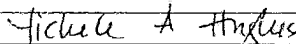


24th

DAY OF

NOTARY PUBLIC NAME	Michele A Hughes	
COUNTY NAME	Maricopa	
MONTH	April	.2008

MY COMMISSION EXPIRES November 5, 2011

X 

SIGNATURE OF NOTARY PUBLIC



Trial Balance by FERC Account
321 Ajo Improvement Company
 Year = 2007 Period = 12

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	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
Assets					
Current Assets					
11310100000000 - Cash - Site Managed Account #3	992,425.57	1,327,971.49	335,545.92	1,088,408.19	239,563.30
11310200000000 - Cash - Cash on Hand	1,000.00	1,000.00	0.00	1,000.00	0.00
Cash	993,425.57	1,328,971.49	335,545.92	1,089,408.19	239,563.30
11420100000000 - A/R - Utility Payments	242,680.48	269,026.68	26,346.20	222,476.20	46,550.48
11420300000000 - A/R - ACC Bank Balance	100,000.00	100,000.00	0.00	100,000.00	0.00
Accounts Receivable	342,680.48	369,026.68	26,346.20	322,476.20	46,550.48
11420200000000 - A/R - Utility Payments	0.00	0.00	0.00	0.00	0.00
Accounts Receivables	0.00	0.00	0.00	0.00	0.00
11420400000000 - ADA - Misc. - Utility Payments	0.00	0.00	0.00	-23,483.61	23,483.61
Allowance for Doubtful Accounts	0.00	0.00	0.00	-23,483.61	23,483.61
11540100000000 - Supplies - Warehouse Inventory	0.00	0.00	0.00	0.00	0.00
11540110000000 - Supplies - WHSE-Inv-Contra Acc	76,215.15	106,429.99	30,214.84	56,401.83	50,028.16
Supply	76,215.15	106,429.99	30,214.84	56,401.83	50,028.16
11420540000000 - Prepaid Deposits	0.00	0.00	0.00	6,366.65	-6,366.65
Prepaid Expenses	0.00	0.00	0.00	6,366.65	-6,366.65
*** Total Current Assets	1,412,321.20	1,804,428.16	392,106.96	1,451,169.26	353,258.90
Investment & Long-Term Rec					
11823510000000 - Non Recurring Other/Util- B.B.	567,860.00	567,860.00	0.00	567,860.00	0.00
11823530000000 - Non Recurring Other/Util- Tran	-104,702.44	-126,998.78	-22,296.34	0.00	-126,998.78
N/R-Long-Term Rec Other	463,157.56	440,861.22	-22,296.34	567,860.00	-126,998.78
*** Total Investment & Long-Term Rec	463,157.56	440,861.22	-22,296.34	567,860.00	-126,998.78
Fixed Assets					
11010200000000 - Electric Plant In Service - BB	1,688,879.15	1,688,879.15	0.00	1,688,879.15	0.00
11070010000000 - Ele Machinery /CIP-Beg Bal	1,397,332.73	1,397,332.73	0.00	1,397,332.73	0.00
11071000000000 - Machinery/CIP-Additions	1,570,724.24	2,001,156.08	430,431.84	0.00	2,001,156.08
11079900000000 - Machinery/CIP - Trans to Asset	-167,905.58	-167,905.58	0.00	0.00	-167,905.58
21010000000000 - Water Plt Asset Additions	32,861.79	32,861.79	0.00	0.00	32,861.79
21010200000000 - Water Plant In Service - BB	1,508,474.02	1,508,474.02	0.00	1,508,474.02	0.00
21070016507010 - Water Machinery/CIP-Additions	2,778,070.45	3,765,489.25	987,418.80	0.00	3,765,489.25
31010000000000 - Sewer Plt Asset Additions	135,043.79	135,043.79	0.00	0.00	135,043.79
31010200000000 - Sewer Plant In Service - BB	556,014.02	556,014.02	0.00	556,014.02	0.00
31070016507010 - Sewer Machinery/CIP-Additions	106,265.92	324,051.37	217,785.45	0.00	324,051.37
Plant & Equipment	9,605,760.53	11,241,396.62	1,635,636.09	5,150,699.92	6,090,696.70
11260200000000 - Depreciation Fund -Beg Balance	-774,439.02	-774,439.02	0.00	-774,439.02	0.00
11261000000000 - Depreciation Fund-Current Year	-41,077.86	-45,008.60	-3,930.74	0.00	-45,008.60
21260200000000 - Depreciation Fund -Beg Balance	-1,460,969.75	-1,460,969.75	0.00	-1,460,969.75	0.00
21261000000000 - Depreciation Fund-Current Year	-271,980.17	-272,941.78	-961.61	0.00	-272,941.78
31260200000000 - Depreciation Fund -Beg Balance	-369,237.10	-369,237.10	0.00	-369,237.10	0.00
31261000000000 - Depreciation Fund-Current Year	247,249.82	245,357.99	-1,891.83	0.00	245,357.99
Accumulated Depreciation	-2,670,454.08	-2,677,238.26	-6,784.18	-2,604,645.87	-72,592.39
*** Total Fixed Assets	6,935,306.45	8,564,158.36	1,628,851.91	2,546,054.05	6,018,104.31
Deferred Charges					
11823000000000 - Other Regulatory Assets - B.B.	15,000.01	15,000.01	0.00	15,000.01	0.00



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11823400000000 - Deferred Other - Amortization	-13,750.01	-15,000.01	-1,250.00	0.00	-15,000.01
Deferred Others	1,250.00	0.00	-1,250.00	15,000.01	-15,000.01
*** Total Deferred Charges	1,250.00	0.00	-1,250.00	15,000.01	-15,000.01
***** Total Assets	8,812,035.21	10,809,447.74	1,997,412.53	4,580,083.32	6,229,364.42

Liabilities and Shareholder's Equity

Current Liabilities

12321000000000 - Invoices Payable - Trade	0.00	0.00	0.00	0.00	0.00
12321010000000 - Invoices Payable - Trade Contr	-1,581,562.72	-485,100.37	1,096,462.35	-214,550.32	-270,550.05
12335000000000 - I/C Payable - PD Miami Smelter	0.00	0.00	0.00	0.00	0.00
12335300000000 - I/C Payable - New Cornelia	-3,807,948.19	-3,898,120.83	-90,172.64	-3,593,409.69	-304,711.14
12335320000000 - I/C Payable - Luna	-875,522.00	-950,907.00	-75,385.00	-65,000.00	-885,907.00
12335400000000 - I/C Payable - Phelps Dodge Cor	-8,236,916.89	-11,468,623.87	-3,231,706.98	-3,415,537.74	-8,053,086.13
12335910000000 - MRNI / General Contra Acct	0.00	0.00	0.00	0.36	-0.36
12336000000000 - A/P Unclaimed Property	0.00	0.00	0.00	-160.39	160.39
12415800000000 - Acc Utilities - Power	111,985.82	122,120.39	10,134.57	4,662.95	117,457.44
Accounts Payable	-14,389,963.98	-16,680,631.88	-2,290,667.70	-7,283,994.83	-9,396,636.85
12421000000000 - Accrued Rent / Lease - Propert	-11,114.07	378.46	11,492.53	0.00	378.46
12422000000000 - Accrued Wages & Salaries	-31,613.40	-34,534.70	-2,921.30	-24,100.33	-10,434.37
12423100000000 - Accrued Medical - Beg. Bal.	0.00	0.00	0.00	-3,581.35	3,581.35
12423200000000 - Accrued Medical - Additions	0.00	0.00	0.00	0.00	0.00
Accrued Expenses	-42,727.47	-34,156.24	8,571.23	-27,681.68	-6,474.56
12360100000000 - Accrued Property Tax	-57,736.53	-62,985.30	-5,248.77	-10,379.13	-52,606.17
12360200000000 - Accrued FICA Taxes	-2,418.42	-2,641.90	-223.48	-1,843.68	-798.22
12360500000000 - Accrued Privilege Tax	-8,923.02	-8,517.48	405.54	-8,876.46	358.98
12360800000000 - Environmental Surcharge	-55,585.12	-56,641.85	-1,056.73	-44,188.88	-12,452.97
Accrued Taxes	-124,663.09	-130,786.53	-6,123.44	-65,288.15	-65,498.38
*** Total Current Liabilities	-14,557,354.54	-16,845,574.45	-2,288,219.91	-7,376,964.66	-9,468,609.79

Long Term Liabilities

12247000000000 - Long Term Debt - Installment L	-311,963.00	-311,963.00	0.00	-311,963.00	0.00
Long Term Debt	-311,963.00	-311,963.00	0.00	-311,963.00	0.00
*** Total Long Term Liabilities	-311,963.00	-311,963.00	0.00	-311,963.00	0.00

Shareholder's Equity

12010000000000 - Common Stock Issued - PDC	-392,000.00	-392,000.00	0.00	-392,000.00	0.00
12010000000001 - Cap In Excess of Par Adjustmnt	-22,063.92	-22,063.92	0.00	0.00	-22,063.92
12110100000000 - A. P. to Assoc. Co.- Cont. Cap	-3,144,546.05	-3,144,546.05	0.00	-3,144,546.05	0.00
Common Stock	-3,558,609.97	-3,558,609.97	0.00	-3,536,546.05	-22,063.92
12230200000000 - I/C - MIMS 4.3 Automated Clear	1.51	1.51	0.00	1.51	0.00
I/C Automated Company Clearing	1.51	1.51	0.00	1.51	0.00
12150000000000 - Retained Earnings	2,700,737.03	2,700,737.03	0.00	2,700,737.03	0.00
22150000000000 - Retained Earnings	2,406,969.31	2,406,969.31	0.00	2,406,969.31	0.00
32150000000000 - Retained Earnings	1,537,682.53	1,537,682.53	0.00	1,537,682.53	0.00
42150000000000 - Retained Earnings	0.01	0.01	0.00	0.01	0.00
Retained Earnings	6,645,388.88	6,645,388.88	0.00	6,645,388.88	0.00
*** Total Shareholder's Equity	3,086,780.42	3,086,780.42	0.00	3,108,844.34	-22,063.92



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***** Total Liabilities and Shareholder's Equity	-11,782,537.12	-14,070,757.03	-2,288,219.91	-4,580,083.32	-9,490,673.71
Net(Income)/Loss					
Net(Income)/loss Before Taxes					
14002240800000 - Electric Revenue	-1,300,617.49	-1,397,781.05	-97,163.56	0.00	-1,397,781.05
14002272906000 - Electric Establishments & Re-E	-6,701.80	-7,313.20	-611.40	0.00	-7,313.20
14002272909900 - Electric Reconnect Fees	-340.00	-340.00	0.00	0.00	-340.00
14012250993500 - Electric Cost of Sales	64,701.26	91,424.16	26,722.90	0.00	91,424.16
14012251019900 - Electric Cost of Sales-Interco	810,522.00	885,907.00	75,385.00	0.00	885,907.00
14022260100101 - Salaries	107,684.75	114,267.35	6,582.60	0.00	114,267.35
14022260200100 - Bonus	465.51	39,269.84	38,804.33	0.00	39,269.84
14022262160000 - Computer Software	2,750.00	2,750.00	0.00	0.00	2,750.00
14022262440100 - Gasoline	-301.92	-301.92	0.00	0.00	-301.92
14022262999900 - Other Operating Supplies	24,943.43	31,953.05	7,009.62	0.00	31,953.05
14022266400000 - Utilities - Communications	14,675.92	16,075.57	1,399.65	0.00	16,075.57
14022272013501 - Outside Svcs - Contr. Labor	562,600.57	562,650.05	49.48	0.00	562,650.05
14022272015001 - Professional Fees - Legal	7,960.39	18,225.67	10,265.28	0.00	18,225.67
14022272017001 - Professional Fees - Engineering	139,023.07	139,023.07	0.00	0.00	139,023.07
14022272019999 - Outside Services - OTHER	-6,107.19	-6,016.55	90.64	0.00	-6,016.55
14022272100100 - Insurance - Consolidated Risk	7,984.55	8,213.99	229.44	0.00	8,213.99
14022272202000 - Rent / Leases - Property / Ge	650.00	750.00	100.00	0.00	750.00
14022272209900 - Rent / Leases - OTHER	11,114.07	12,124.42	1,010.35	0.00	12,124.42
14022272300500 - Printing / Stationary	964.59	1,035.03	70.44	0.00	1,035.03
14022272302000 - Postage	1,708.07	1,831.97	123.90	0.00	1,831.97
14022272304000 - Dues, Books & Subscriptions	38.33	38.33	0.00	0.00	38.33
14022272400600 - On Site Meals - Cater Meals	484.84	609.84	125.00	0.00	609.84
14022272403000 - Employee Develop & Training	50.00	50.00	0.00	0.00	50.00
14022272403500 - Employee Relocation Expense	0.00	366.35	366.35	0.00	366.35
14022272404000 - Employee Travel	179.56	179.56	0.00	0.00	179.56
14022272809940 - Misl. Taxes, Fees & Filings	943.27	943.27	0.00	0.00	943.27
14022272809990 - Permits & Licenses	1,666.00	1,666.00	0.00	0.00	1,666.00
14022275011100 - Allocation of Benefits	60,871.18	65,917.83	5,046.65	0.00	65,917.83
14022280990000 - Other Expenses	35.34	35.34	0.00	0.00	35.34
14022282200000 - Advertising	407.50	489.31	81.81	0.00	489.31
14022282400000 - Allowance for Doubtful Account	4,047.08	4,108.22	61.14	0.00	4,108.22
14028372016000 - Outside Svcs - Environmental	787.00	787.00	0.00	0.00	787.00
14032274103000 - Electric - Depreciation	41,077.86	45,008.60	3,930.74	0.00	45,008.60
14082272800100 - Real Property Taxes	83,856.76	85,986.54	2,129.78	0.00	85,986.54
14082272804000 - Sales & Use Tax	905.44	998.73	93.29	0.00	998.73
14082272809940 - Misl. Taxes, Fees & Filings	4,058.43	4,058.43	0.00	0.00	4,058.43
14086572013501 - CAP Electric Contr. Labor	0.00	0.00	0.00	0.00	0.00
14272291000301 - Electric - Interest Expense	9,533.36	10,400.03	866.67	0.00	10,400.03
Electric Net (Income)/Loss	652,621.73	735,391.83	82,770.10	0.00	735,391.83
24002340800000 - Water Revenue	-580,839.82	-618,471.10	-37,631.28	0.00	-618,471.10
24002372906000 - Water Establishments & Re-Est.	-6,103.00	-6,719.15	-616.15	0.00	-6,719.15
24002372909900 - Water Reconnect Fees	-3,815.00	-4,265.00	-450.00	0.00	-4,265.00
24012350993500 - Water Cost of Sales	907,058.15	953,180.51	46,122.36	0.00	953,180.51
24022360100101 - Salaries	138,055.66	151,115.74	13,060.08	0.00	151,115.74
24022360200100 - Bonus	465.51	39,269.84	38,804.33	0.00	39,269.84
24022362440100 - Gasoline	-301.92	-301.92	0.00	0.00	-301.92
24022362999900 - Other Operating Supplies	23,127.33	27,083.17	3,955.84	0.00	27,083.17
24022364010000 - Maintenance & Repair Parts	21,143.50	25,557.34	4,413.84	0.00	25,557.34
24022366400000 - Utilities - Communications	2,471.77	2,804.50	332.73	0.00	2,804.50



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24022372013501 - Outside Svcs - Contr. Labor	1,236,019.56	1,236,069.04	49.48	0.00	1,236,069.04
24022372015001 - Professional Fees - Legal	13,548.96	15,399.09	1,850.13	0.00	15,399.09
24022372017001 - Professional Fees - Engineering	90,616.72	90,616.72	0.00	0.00	90,616.72
24022372019999 - Outside Services - Other	128,012.90	138,046.79	10,033.89	0.00	138,046.79
24022372100100 - Insurance - Consolidated Risk	7,984.43	8,213.86	229.43	0.00	8,213.86
24022372202000 - Rent / Leases - Property / Ge	550.00	600.00	50.00	0.00	600.00
24022372300500 - Printing / Stationary	625.56	696.00	70.44	0.00	696.00
24022372302000 - Postage	2,033.58	2,157.48	123.90	0.00	2,157.48
24022372304000 - Dues, Books & Subscriptions	38.33	38.33	0.00	0.00	38.33
24022372400600 - On-Site Meetings - Catered Mea	412.49	537.49	125.00	0.00	537.49
24022372403000 - Employee Develop & Training	50.00	50.00	0.00	0.00	50.00
24022372403500 - Employee Relocation Expense	0.00	60,641.36	60,641.36	0.00	60,641.36
24022372404000 - Employee Travel	79.53	79.53	0.00	0.00	79.53
24022372809990 - Permits & Licenses	1,997.00	1,997.00	0.00	0.00	1,997.00
24022375011100 - Allocation of Benefits	78,036.30	88,129.61	10,093.31	0.00	88,129.61
24022380990000 - Other Expenses	168.84	168.84	0.00	0.00	168.84
24022382200000 - Advertising	265.00	346.81	81.81	0.00	346.81
24022382400000 - Allowance for Doubtful Account	2,790.97	3,083.64	292.67	0.00	3,083.64
24032374103000 - Water - Depreciation	271,980.17	272,941.78	961.61	0.00	272,941.78
24082372800100 - Real Property Taxes	23,804.32	26,429.80	2,625.48	0.00	26,429.80
24082372804000 - Sales & Use Tax	905.41	998.69	93.28	0.00	998.69
24082372809940 - Misl. Taxes, Fees & Filings	1,986.25	1,986.25	0.00	0.00	1,986.25
24086572013501 - CAP Water Contr. Labor	0.00	0.00	0.00	0.00	0.00
24086572017001 - CAP Water Prof Fees Eng.	0.00	0.00	0.00	0.00	0.00
24272391000301 - Water - Interest Expense	9,533.37	10,400.04	866.67	0.00	10,400.04
Water Net (Income)/Loss	2,372,701.87	2,528,882.08	156,180.21	0.00	2,528,882.08
34002440800000 - Sewer Revenue	-143,067.64	-158,522.45	-15,454.81	0.00	-158,522.45
34002472906000 - Sewer Establishments & Re-Est.	-5,703.14	-6,319.08	-615.94	0.00	-6,319.08
34002472909900 - Sewer Reconnect Fees	-295.00	-295.00	0.00	0.00	-295.00
34022460100101 - Salaries	73,571.37	80,278.65	6,707.28	0.00	80,278.65
34022460200100 - Bonus	465.51	39,269.85	38,804.34	0.00	39,269.85
34022462440100 - Gasoline	-301.92	-301.92	0.00	0.00	-301.92
34022462999900 - Other Operating Supplies	27,242.45	31,698.29	4,455.84	0.00	31,698.29
34022464010000 - Maintenance & Repair Parts	83.41	83.41	0.00	0.00	83.41
34022466200000 - Utilities - Purchased Power &	543.44	593.42	49.98	0.00	593.42
34022466400000 - Utilities - Communications	2,470.56	2,803.26	332.70	0.00	2,803.26
34022472013501 - Outside Services - Contr/Labor	-73,792.98	-73,743.51	49.47	0.00	-73,743.51
34022472015001 - Professional Fees - Legal	13,549.97	15,400.11	1,850.14	0.00	15,400.11
34022472019999 - Outside Services - OTHER	157,234.70	158,622.70	1,388.00	0.00	158,622.70
34022472202000 - Rent / Leases - Property / Ge	13,750.00	15,000.00	1,250.00	0.00	15,000.00
34022472300500 - Printing / Stationary	681.98	752.41	70.43	0.00	752.41
34022472302000 - Postage	1,977.26	2,101.16	123.90	0.00	2,101.16
34022472304000 - Dues, Books & Subscriptions	38.34	38.34	0.00	0.00	38.34
34022472400600 - On Site Meals - Cater Meals	362.14	462.14	100.00	0.00	462.14
34022472403000 - Employee Develop & Training	50.00	50.00	0.00	0.00	50.00
34022472404000 - Employee Travel	79.53	79.53	0.00	0.00	79.53
34022472809990 - Permits & Licenses	1,667.00	1,667.00	0.00	0.00	1,667.00
34022475011100 - Allocation of Benefits	41,890.33	47,357.54	5,467.21	0.00	47,357.54
34022480990000 - Other Expenses	35.34	35.34	0.00	0.00	35.34
34022482200000 - Advertising	107.50	189.32	81.82	0.00	189.32
34022482400000 - Allowance for Doubtful Account	1,474.77	1,480.48	5.71	0.00	1,480.48
34028372016000 - Outside Svcs - Environmental	61,909.01	65,754.73	3,845.72	0.00	65,754.73
34032474103000 - Sewer - Depreciation	-247,249.82	-245,357.99	1,891.83	0.00	-245,357.99
34082472800100 - Real Property Taxes	3,979.26	4,472.77	493.51	0.00	4,472.77



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34082472804000 - Sales & Use Tax	905.41	998.69	93.28	0.00	998.69
34082472809940 - Misc. Taxes, Fees & Filings	1,986.26	1,986.26	0.00	0.00	1,986.26
34086572013501 - CAP Sewer Contr. Labor	0.00	0.00	0.00	0.00	0.00
34086572017001 - CAP Sewer Contr. Engineering	0.00	0.00	0.00	0.00	0.00
34272491000301 - Sewer - Interest Expense	9,533.27	10,399.93	866.66	0.00	10,399.93
Sewer Net (Income)/Loss	-54,821.69	-2,964.62	51,857.07	0.00	-2,964.62
44025475011100 - Allocation of Benefits	-335,130.37	-377,185.81	-42,055.44	0.00	-377,185.81
44025475605030 - Shared Services - Financial	23,155.07	29,292.67	6,137.60	0.00	29,292.67
44025475605050 - Strategic Sourcing Hiring	540.00	540.00	0.00	0.00	540.00
44028560300150 - Taxes / FICA	49,411.45	56,022.93	6,611.48	0.00	56,022.93
44028560300160 - Taxes / FUI	1,929.63	1,929.63	0.00	0.00	1,929.63
44028560300180 - Taxes / SUI	100.57	100.57	0.00	0.00	100.57
44028560301062 - Holiday Pay	19,454.50	22,705.22	3,250.72	0.00	22,705.22
44028560301202 - Paid Time Off - Operations	68,069.27	79,325.96	11,256.69	0.00	79,325.96
44028560303000 - Retirement-FAS 87	-510.29	-1,895.17	-1,384.88	0.00	-1,895.17
44028560303001 - Retirement-FAS 87	0.00	0.00	0.00	0.00	0.00
44028560306001 - Workman's Compensation	28,216.58	29,956.42	1,739.84	0.00	29,956.42
44028560307003 - Grp. Ins. Medical Salary	4,200.00	4,200.00	0.00	0.00	4,200.00
44028560307012 - Ins Dental - Salary	28,220.18	28,844.88	624.70	0.00	28,844.88
44028560307022 - Insurance-Vision Salary	1,149.13	1,263.03	113.90	0.00	1,263.03
44028560307030 - Insurance/Life	158.74	171.78	13.04	0.00	171.78
44028560307032 - Insurance/Life - Salary	5,183.76	5,699.48	515.72	0.00	5,699.48
44028560307052 - LTD Dividend Expense	3,235.50	3,524.64	289.14	0.00	3,524.64
44028560307057 - Insurance/Short Term Disabilit	186.48	204.24	17.76	0.00	204.24
44028560307082 - Insurance / FLEX	63,990.27	71,798.87	7,808.60	0.00	71,798.87
44028560308001 - Post Retirement - FAS 106	5,796.36	6,435.54	639.18	0.00	6,435.54
44028560308002 - Post Retirement - FAS 106	0.00	0.00	0.00	0.00	0.00
44028560309912 - Jury Duty	280.34	280.34	0.00	0.00	280.34
44028560309922 - Bereavement Pay	989.63	989.63	0.00	0.00	989.63
44028560309942 - Overtime Meals	3,655.04	4,834.52	1,179.48	0.00	4,834.52
44028560309985 - Legal Services	243.00	270.00	27.00	0.00	270.00
44028560309998 - Deferred Compensation	26,661.00	29,821.60	3,160.60	0.00	29,821.60
44028575605040 - PDC Share Services - Ben.Servi	814.16	869.03	54.87	0.00	869.03
Operating Expenses - 4 Series	0.00	0.00	0.00	0.00	0.00
64021260100101 - Salaries	284,620.81	311,665.11	27,044.30	0.00	311,665.11
64021260200100 - Bonus	465.52	465.52	0.00	0.00	465.52
64021262440100 - Gasoline	-301.92	-301.92	0.00	0.00	-301.92
64021262640500 - Reagents - Acid	10,301.94	10,787.00	485.06	0.00	10,787.00
64021262642000 - Reagents - Chloride	682.24	1,102.51	420.27	0.00	1,102.51
64021262642500 - Reagents - Caustic Soda	36,581.82	39,495.03	2,913.21	0.00	39,495.03
64021262649000 - Reagents - Activated Alumina	41,404.33	41,404.33	0.00	0.00	41,404.33
64021262999900 - Other Operating Supplies	11,749.37	13,340.18	1,590.81	0.00	13,340.18
64021266400000 - Utilities - Communications	174.26	174.26	0.00	0.00	174.26
64021272013501 - Outside Svcs - Contr. Labor	63,585.74	56,774.42	-6,811.32	0.00	56,774.42
64021272019999 - Outside Services - OTHER	114,142.67	114,142.67	0.00	0.00	114,142.67
64021272403000 - Employee Develop & Training	250.00	250.00	0.00	0.00	250.00
64021275011100 - Allocation of Benefits	154,332.56	175,780.83	21,448.27	0.00	175,780.83
64021275200400 - Water Treatment Plant Redist	-717,989.34	-765,079.94	-47,090.60	0.00	-765,079.94
Operating Expenses - 6 Series	0.00	0.00	0.00	0.00	0.00
*** Total Net(Income)/loss Before Taxes	2,970,501.91	3,261,309.29	290,807.38	0.00	3,261,309.29



Trial Balance by FERC Account
321 Ajo Improvement Company
Year = 2007 Period = 12

Page 6 of 6
4/25/2008 2:07:44 PM

	Beginning Balance	Ending Balance	Current Changes	January 1 Balance	Year To Date Changes
***** Total Net(Income)/Loss	2,970,501.91	3,261,309.29	290,807.38	0.00	3,261,309.29
Report Balance	0.00	0.00	0.00	0.00	0.00

DETACH AND RETURN WITH PAYMENT



2007 FIRST HALF PAYMENT STUB
DUE OCTOBER 1, 2007
DELINQUENT AFTER NOV. 1, 2007

ADD IMPROVEMENT COMPANY

MAKE CHANGES TO MAILING ADDRESS BELOW
OR GO TO <http://treasurer.maricopa.gov>

PARCEL/ACCOUNT # 403-45-031 6

PRINT THE ABOVE PARCEL / ACCOUNT
NUMBER ON YOUR CHECK

U.S. FUNDS ONLY

PLEASE CHECK WHICH PAYMENT APPLIES

FIRST HALF	\$	134.82
------------	----	--------

The law allows payment of the full year by December 31
2007, without an interest penalty on the first half.

FULL YEAR	\$	269.64
-----------	----	--------

MAKE CHECK PAYABLE TO:

Maricopa County Treasurer
P O Box 52133
Phoenix, AZ 85072-2133

07000000000100000002696400000013482403450310062

2007 FIRST HALF PAYMENT COUPON**Due October 1, 2007****Amount Due 12,723.98**

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2007 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid using the first payment coupon—due October 1, 2007.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.



|||||
Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO BOX 29011
Phoenix AZ 85038-9011

968 01 5000

Print the above state code # on your check.

Payment in U.S. FUNDS ONLY

Make check payable to:

Pima County Treasurer

Please indicate the amount of your payment.

\$

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2007 9680150001 1 00002544795 00001272398

2007 FIRST HALF PAYMENT COUPON**Due October 1, 2007****Amount Due 52.40**

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2007 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid using the first payment coupon—due October 1, 2007.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.



|||||
Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO BOX 29011
Phoenix AZ 85038-9011

868 01 5000

Print the above state code # on your check.

Payment in U.S. FUNDS ONLY

Make check payable to:

Pima County Treasurer

Please indicate the amount of your payment.

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2007 8680150003 1 00000005240 00000005240

2007 FIRST HALF PAYMENT COUPON**Due October 1, 2007****Amount Due 2,948.40**

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2007 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid using the first payment coupon—due October 1, 2007.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.



|||||
Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO BOX 29011
Phoenix AZ 85038-9011

980 01 5000

Print the above state code # on your check.

Payment in U.S. FUNDS ONLY

Make check payable to:

Pima County Treasurer

Please indicate the amount of your payment.

\$

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2007 9800150006 1 00000589680 00000294840

2007 FIRST HALF PAYMENT COUPON

Due October 1, 2007

Amount Due 15,633.06

Delinquency Date First Half Payment

Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 1, 2007 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid using the first payment coupon—due October 1, 2007.

To pay taxes for the full year, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.

USE FOR FIRST HALF PAYMENT WITH PAYMENT

900 41 5000

Print the above state code # on your check

Payment in U.S. FUNDS ONLY

Make check payable to:

Pima County Treasurer

Please indicate the amount of your payment

\$



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**Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO BOX 29011
Phoenix AZ 85038-9011**

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☐

2007 9004150000 1 00003126612 00001563306

[illegible]

Beth Ford
Pima County Treasurer
(520) 740-8341



Patti Davidson
Chief Deputy Treasurer
(520) 740-3785

Pima County Treasurer

NOTICE OF PAST DUE REAL ESTATE TAXES

AJO IMPROVEMENT CO - WATER UTILITY
ATTN: R. M. SMITH/STAFF ACCOUNTANT
PO DRAWER 9
AJO AZ
85321

BOOK	MAP	PARCEL	PROPERTY DESCRIPTION
900	41	5000	TOTAL VALUE OF OPERATING PROPERTY - TAXPAYER GROUP NO 004

Pursuant to Arizona Revised Statute 42-18103 you are hereby notified that the property described above, listed on the tax roll of Pima County, Arizona, has delinquent taxes, interest and fees in the amount stated below. **THIS TAX LIEN WILL BE SUBJECT TO SALE IN FEBRUARY 2008 UNLESS PAID PRIOR TO THAT DATE.** A lien may have been previously sold if these taxes have been subject to a prior tax lien sale.

Certificate Number or Tax Year(s)	Amount
2006	\$16,420.42
TOTAL AMOUNT DUE IF PAID BY AUGUST 31, 2007:	\$16,420.42

08-07-07P05:18 RCV

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

DETACH AND RETURN WITH PAYMENT

DELINQUENT TAX PAYMENT

IF PAID BY **AUGUST 31, 2007**
TOTAL AMOUNT DUE **\$16,420.42**

AJO IMPROVEMENT CO - WATER UTILITY
900 41 5000

Payments postmarked after the above date will accrue
additional interest. (ARS 42-18052 and ARS 42-18053)

Print the above state code # on your check.
Payment in U.S. FUNDS ONLY.

Make Checks Payable to: Beth Ford, Pima County
Treasurer

Mail Payments to:

Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
115 N. Church Avenue
Tucson, AZ 85701-1199

☐ Would you like a receipt? Check here.

Beth Ford
Pima County Treasurer
(520) 740-8341



Patti Davidson
Chief Deputy Treasurer
(520) 740-3785

Pima County Treasurer

NOTICE OF PAST DUE REAL ESTATE TAXES

AJO IMPROVEMENT COMPANY
SEWER UTILITY
ATTN: R. M. SMITH/STAFF ACCOUNTANT
PO DRAWER 9
AJO AZ 85321

BOOK	MAP	PARCEL
980	01	5000

PROPERTY DESCRIPTION

TOTAL VALUE OF OPERATING PROPERTY -
TAXPAYER GROUP NO 800

Pursuant to Arizona Revised Statute 42-18103 you are hereby notified that the property described above, listed on the tax roll of Pima County, Arizona, has delinquent taxes, interest and fees in the amount stated below. THIS TAX LIEN WILL BE SUBJECT TO SALE IN **FEBRUARY 2008** UNLESS PAID PRIOR TO THAT DATE. A lien may have been previously sold if these taxes have been subject to a prior tax lien sale.

<u>Certificate Number or Tax Year(s)</u>	<u>Amount</u>
2006	\$2,697.13

TOTAL AMOUNT DUE IF PAID BY **AUGUST 31, 2007:** **\$2,697.13**

08-07-07P05:18 RCVD

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

DETACH AND RETURN WITH PAYMENT

DELINQUENT TAX PAYMENT

IF PAID BY **AUGUST 31, 2007**
TOTAL AMOUNT DUE **\$2,697.13**

AJO IMPROVEMENT COMPANY
980 01 5000

Payments postmarked after the above date will accrue
additional interest. (ARS 42-18052 and ARS 42-18053)

Print the above state code # on your check.
Payment in U.S. FUNDS ONLY.

Make Checks Payable to: Beth Ford, Pima County
Treasurer

Mail Payments to:

Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
115 N. Church Avenue
Tucson, AZ 85701-1199

☐ Would you like a receipt? Check here.

Beth Ford
Pima County Treasurer
(520) 740-8341



Patti Davidson
Chief Deputy Treasurer
(520) 740-3785

Pima County Treasurer

NOTICE OF PAST DUE REAL ESTATE TAXES

AJO IMPROVEMENT CO (T&D)
ATTN: RODNEY M SMITH
PO DRAWER 9
AJO AZ
85321

BOOK	MAP	PARCEL
968	01	5000

PROPERTY DESCRIPTION

TOTAL VALUE OF OPERATING PROPERTY TAXPAYER
GROUP NO 680

Pursuant to Arizona Revised Statute 42-18103 you are hereby notified that the property described above, listed on the tax roll of Pima County, Arizona, has delinquent taxes, interest and fees in the amount stated below. **THIS TAX LIEN WILL BE SUBJECT TO SALE IN FEBRUARY 2008 UNLESS PAID PRIOR TO THAT DATE.** A lien may have been previously sold if these taxes have been subject to a prior tax lien sale.

Certificate Number or Tax Year(s)	Amount
2006	\$13,527.62

TOTAL AMOUNT DUE IF PAID BY **AUGUST 31, 2007:** **\$13,527.62**

08-07-07P05:18 RCVD

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

DETACH AND RETURN WITH PAYMENT

DELINQUENT TAX PAYMENT

IF PAID BY **AUGUST 31, 2007**
TOTAL AMOUNT DUE **\$13,527.62**

AJO IMPROVEMENT CO (T&D)
968 01 5000

Payments postmarked after the above date will accrue
additional interest (ARS 42-18052 and ARS 42-18053)

Print the above state code # on your check.
Payment in U.S. FUNDS ONLY.

Make Checks Payable to: Beth Ford, Pima County
Treasurer

Mail Payments to:

Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
115 N. Church Avenue
Tucson, AZ 85701-1199

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2006 SECOND HALF PAYMENT STUB
DUE MARCH 1, 2007
DELINQUENT AFTER MAY 1, 2007

AJO IMPROVEMENT COMPANY

MAKE CHANGES TO MAILING ADDRESS BELOW
OR GO TO <http://treasurer.maricopa.gov>

DELINQUENT AND RETURN WITH PAYMENT

2

MAKE CHECK PAYABLE TO:

Maricopa County Treasurer
P O Box 52133
Phoenix, AZ 85072-2133

PARCEL/ACCOUNT # 403-45-031-6


PRINT THE ABOVE PARCEL / ACCOUNT
NUMBER ON YOUR CHECK

U.S. FUNDS ONLY

SECOND HALF	\$145.11
-------------	----------

PLEASE REMEMBER YOUR SECOND HALF PAYMENT IS DUE IN MARCH
AND THAT NO ADDITIONAL NOTIFICATION IS SENT.

0600000000020000002902200000014511403450310060



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OF ARIZONA

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Transaction Information

Description: CHECK

Account: AIC 3201000613, 86-0000550 - xxx-xx061-3

Transaction: Check

Customer: 1214

Reference ID:

Date Cleared: 05/11/2007

Amount: \$ 145.11

Date Initiated: 05/11/2007

FI Reference ID: 20070512042610152098

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Transaction Image

05-10-07 0505-035 MARICOPA COUNTY TREASURER
122101764 02683 98 P-19
05/10/07
3250912007

THE STOCKMEN'S BANK 101 La Mesa Avenue Ajo, AZ 85301		1214 91-504/1221 32
AJO IMPROVEMENT COMPANY P.O. DRAWER 9 AJO, AZ 85321-0009 520.387-7151		5/03/2007
PAY TO THE ORDER OF MARICOPA COUNTY TREASURER		**145.11**
One Hundred Forty-Five and 11/100 Dollars		\$
		DOLLARS
MARICOPA COUNTY TREASURER PO BOX 78574 PHOENIX AZ 85062-8574		
MEMO		<i>Raymond T. Pines</i>
⑈001214⑈ ⑆22105045⑆ 3201000613⑆ ⑆0000014511⑆		

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Transaction Information

Description: CHECK

Account: AIC 3201000613, 86-0000550 - xxx-xx061-3

Transaction: Check

Customer: 1322

Reference ID:

Date Cleared: 08/28/2007

Amount: \$ 32,645.17

Date Initiated: 08/28/2007

FI Reference: 20070829015121134321

ID:

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Transaction Image

OT 900-41-5000, 980-01-5000 AJO IMPROVEMENT COMPANY P.O. DRAWER 9 AJO, AZ 85321-0009 520 387-7151		THE STOCKMEN'S BANK 101 La Mesa Avenue Ajo, AZ 85321	1322 91-504/1221 32
PAY TO THE ORDER OF PIMA COUNTY TREASURER ***Thirty-Two Thousand Six Hundred Forty-Five and 17/100 Dollars***		8/17/2007 **32,645.17**	
PIMA COUNTY TREASURER 115 N CHURCH AVE TUCSON AZ 85701-1199		DOLLARS	
MEMO		Verdand T. P. P. P.	
0001322* 0001322050450 3201000613*		00003264517*	

BANK OF AMERICA
 PIMA COUNTY TREASURER
 115 N CHURCH AVE
 TUCSON, AZ 85701-1199
 08/27/07
 0100740242

0001 \$1019


FOR DEPOSIT ONLY
 TO THE CREDIT OF
 BETT FORD
 PIMA COUNTY TREASURER
 PIMA COUNTY, ARIZONA
 412-724159

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National Bank
OF ARIZONA

View Transaction

Use this screen to view a cleared transaction.

Transaction Information

Description: CHECK

Account: AIC 3201000613, 86-0000550 - xxx-xx061-3

Transaction: Check

Customer: 1364

Reference ID:

Date Cleared: 10/10/2007

Amount: \$ 134.82

Date Initiated: 10/10/2007

FI Reference ID: 2007101103070331028

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Transaction Image

18-08-07 0006-031 MARICOPA COUNTY TREASURER 1364 3754636574
MARICOPA COUNTY 00343/94630574 122107064 E 98 P10
10/10/07
3250257075

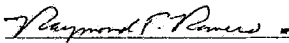
AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
520 387-7151

THE STOCKMEN'S BANK
191 La Mesa Avenue
Ajo, AZ 85321

1364
91-504/1221
3Z
10/04/2007

PAY TO THE ORDER OF **MARICOPA COUNTY TREASURER** **134.82**
One Hundred Thirty-Four and 82/100 Dollars
DOLLARS

MARICOPA COUNTY TREASURER
PO BOX 78574
PHOENIX AZ 85062-8574

MEMO: 


⑆00⑆1364⑆⑆⑆122405045⑆⑆320⑆0006⑆3⑆⑆00000⑆3482⑆

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National Bank
OF ARIZONA

View Transaction

Use this screen to view a cleared transaction.

Transaction Information

Description: CHECK

Account: AIC 3201000613, 86-0000550 - xxx-xx061-3

Transaction: Check

Customer 1365

Reference ID:

Date Cleared: 10/10/2007

Amount: \$ 31,357.84

Date Initiated: 10/10/2007

FI Reference 2007101103070331037

ID:

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Transaction Image

10-09-07 1501-827 211000
BANK OF AMERICA
10/09/07
3150026075

AJO IMPROVEMENT COMPANY
P.O. DRAWER 9
AJO, AZ 85321-0009
520 387-7151

THE STOCKMEN'S BANK
101 La Mesa Avenue
Ajo, AZ 85321

1365
81-504/1321
32
10/04/2007

PAY TO THE ORDER OF **PIMA COUNTY TREASURER**

****31,357.84****

Thirty-One Thousand Three Hundred Fifty-Seven and 84/100 Dollars

DOLLARS

PIMA COUNTY TREASURER
115 N CHURCH AVE
TUCSON AZ 85701-1199

MEMO

Raymond T. Pinner

⑈001365⑈ ⑆122105045⑆ 3201000613⑈ ⑈0003135784⑈

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